

## CORRECTIONS AND REHABILITATION

The mission of the Department of Corrections and Rehabilitation (CDCR) is to enhance public safety through safe and secure incarceration of offenders, effective parole supervision, and rehabilitative strategies to successfully reintegrate offenders into communities. These strategies include providing safe and secure detention facilities for adults and juveniles, educational opportunities, services such as food, clothing, health care, direct supervision, surveillance, and when necessary apprehension of the state's parolee population.

The proposed budget was constructed first by computing the workload budget funding level. From the workload budget, adjustments are made to reflect specific policy adjustments and reductions, including budget-balancing reductions. With these adjustments, the Governor's Budget includes \$11.4 billion (\$10.3 billion General Fund and \$1.1 billion other funds) for CDCR. This reflects an increase of \$646.7 million (\$172.4 million General Fund) or six percent over the revised 2007-08 budget.

Change Table DCR-01 illustrates the major changes proposed to CDCR spending in the Governor's Budget.

Change Table DCR-01  
Corrections and Rehabilitation Agency — Changes by Broad Categories

	2007-08			2008-09		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>2007 Budget Act</b>	\$9,836,311	\$588,396	66,627.4	\$9,753,804	\$330,029	66,627.4
<b>Workload Adjustments</b>						
AB 900 Implementation	2,509	—	20.6	35,382	—	166.9
Enrollment/Caseload/Population	17,054	-416	60.2	20,351	-1,445	-829.8
Employee Compensation/Retirement	217,523	822	—	230,911	952	—
Court Orders/Lawsuits	17,683	—	24.2	8,981	—	814.0
Expiring Programs or Positions	—	—	—	-10,400	—	-87.6
One-Time Cost Reductions	—	—	—	-66,581	-1,951	—
Full-Year Cost of New Programs	—	—	—	248,352	-2,800	511.1
Other Workload Adjustments	-36,760	-11,834	25.2	67,370	-4,454	-288.4
Infrastructure Adjustment	55,995	71,834	—	350,116	777,805	—
<b>Totals, Workload Adjustments</b>	<b>\$274,004</b>	<b>\$60,406</b>	<b>130.2</b>	<b>\$884,482</b>	<b>\$768,107</b>	<b>286.2</b>
<b>Policy Adjustments</b>						
Population Adjustment - Female	2,927	—	16.2	30,407	—	86.2
Rehabilitative Community Correctional						
Other Policy Adjustments	727	—	6.5	-21,353	25,000	10.1
<b>Totals, Policy Adjustments</b>	<b>\$3,654</b>	<b>\$0</b>	<b>22.7</b>	<b>\$9,054</b>	<b>\$25,000</b>	<b>96.3</b>
<b>Total Adjustments</b>	<b>\$277,658</b>	<b>\$60,406</b>	<b>152.9</b>	<b>\$893,536</b>	<b>\$793,107</b>	<b>382.5</b>
<b>Budget Prior to Reductions</b>	<b>\$10,113,969</b>	<b>\$648,802</b>	<b>66,780.3</b>	<b>\$10,647,340</b>	<b>\$1,123,136</b>	<b>67,009.9</b>
<b>Budget-Balancing Reductions<sup>1/</sup></b>	<b>-\$17,882</b>	<b>\$0</b>	<b>-200.0</b>	<b>-\$378,901</b>	<b>\$0</b>	<b>-5,854.0</b>
<b>Governor's Budget</b>	<b>\$10,096,087</b>	<b>\$648,802</b>	<b>66,580.3</b>	<b>\$10,268,439</b>	<b>\$1,123,136</b>	<b>61,155.9</b>

<sup>1/</sup> These dollars and PYs are included in the General Government agency; therefore, not included in each agency's totals in the applicable Summary Schedules.  
\* Dollars in Thousands

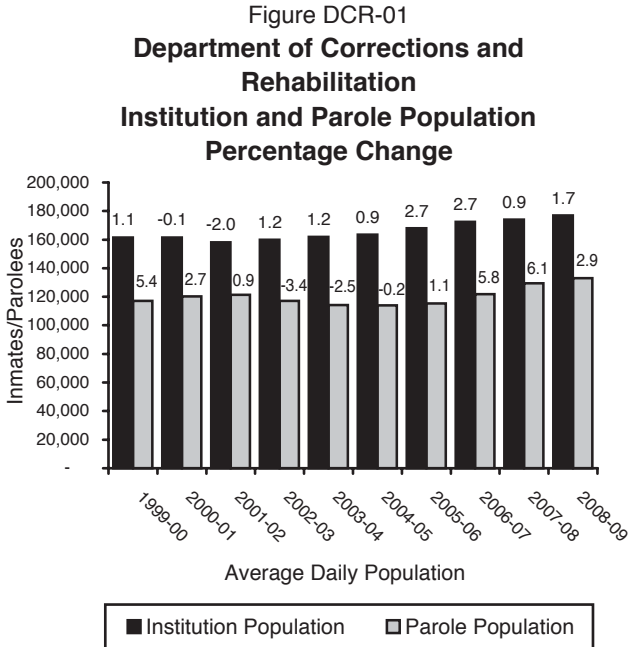
More notable funding changes are described below.

## MAJOR POPULATION ADJUSTMENTS

**Adult Inmate and Parolee Population**—Under existing law, the average daily inmate population is projected to increase from 173,993 in 2007-08 to 177,021 in 2008-09, an increase of 3,028 inmates, or 1.7 percent. The 2007 Budget Act assumed an average daily inmate population of 174,300.

Similarly, under existing law the average daily parole population is projected to increase from 129,343 in 2007-08 to 133,061 in 2008-09, an increase of 3,718 parolees, or 2.9 percent. The 2007 Budget Act assumed an average daily parole population of 124,862.

The fiscal impact of these population changes in 2007-08 is an increase of \$14 million General Fund and a reduction of \$45,000 other funds. In 2008-09, the fiscal impact is an increase of \$77.2 million General Fund and a reduction of \$459,000 other funds.



**Juvenile Offender and Parolee Population**—Under existing law, the average daily juvenile institution population is expected to decrease from 2,294 in 2007-08 to 1,786 in 2008-09, a decrease of 508 wards, or 22.2 percent. The 2007 Budget Act assumed an average daily juvenile institution population of 2,216.

Similarly, under existing law the juvenile parole average daily population is expected to decrease from 2,415 in 2007-08 to

1,963 in 2008-09, a decrease of 452 paroles, or 18.7 percent. The 2007 Budget Act assumed a juvenile parole average daily population of 2,563.

The fiscal impact of these population changes in 2007-08 is an increase of \$5.7 million General Fund and a decrease of \$2.6 million Proposition 98 General Fund. In 2008-09, the fiscal impact is a decrease of \$50.5 million General Fund, \$6.3 million Proposition 98 General Fund, and \$986,000 other funds. The total General Fund expenditures are partially offset by revenues from the sliding scale fees paid by counties. These revenues are estimated to be \$12.4 million in 2007-08 and \$8.2 million in 2008-09.

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### PROPOSED WORKLOAD BUDGET

The major workload adjustments for 2008-09 include the following:

***Plata v. Schwarzenegger***—The 2007 Budget Act includes an appropriation of \$125 million along with language that allows for the transfer of these funds for the purpose of funding activities of the Receiver appointed by the court in *Plata v. Schwarzenegger*, and for coordinated activities of the Receiver, and the *Coleman v. Schwarzenegger* and *Perez v. Tilton* courts. Of this amount, approximately \$26.2 million has been transferred to date, resulting in ongoing costs of approximately \$14.3 million, which are included in the Governor's Budget. In addition to funding these costs, the Governor's Budget includes \$1.7 million to establish an Office of Third Level Health Care Appeals, \$45.8 million to expand Health Care Access Units to all institutions, and \$26 million for the California Prison Health Care Receivership Corp.

operating budget. The Governor's Budget also proposes to eliminate the \$125 million in unallocated funding within Correctional Health Care Services in recognition of the Administration's efforts to proactively budget an appropriate level of resources for the Health Care Services Program based on demonstrated need.

***Armstrong v. Schwarzenegger***—The Governor's Budget includes \$43.9 million to ensure that disabled inmates and parolees have an equal opportunity to participate in programs, services, or activities that are available to non-disabled inmates and parolees, allow for the creation of a statewide tracking and compliance system, and provide funding to implement structural improvements necessary to comply with the Americans with Disabilities Act.

***Lugo v. Schwarzenegger***—The Governor's Budget proposes \$8.2 million to allow the Board of Parole Hearings to add Commissioners, conduct initial and follow-up psychological evaluations, and handle increased workload related to hearing and psychological evaluation file preparation.

**Implementation of AB 900**—AB 900 (Chapter 7, Statutes of 2007) provided authority for CDCR to add 53,000 prison, reentry, and jail beds in two phases, and fundamentally shifted the manner in which the Department approaches rehabilitation for inmates. AB 900 appropriated \$50 million for additional rehabilitation activities. The Budget includes \$2.5 million General Fund in 2007-08 and \$35.4 million in 2008-09 to begin implementing the rehabilitation components of AB 900. Of the funding proposed in the Budget, \$2.5 million in 2007-08 and \$31.4 million in 2008-09 is funded from the AB 900 appropriation, consistent with the requirements of

SB 81 (Chapter 175, Statutes of 2007). Specifically, funding is provided for a comprehensive integrative case management demonstration project recommended by the Governor's Rehabilitation Strike Team, the implementation of risk and needs assessments at all reception centers, expansion of substance abuse treatment capacity, training for CDCR staff on the principles of effective rehabilitation and cognitive behavioral intervention, day treatment and crisis care for mentally ill parolees, implementation of an automated tracking system for inmate educational files, and programmatic oversight infrastructure. In addition, funding is provided to activate secure reentry facilities in San Francisco and Stockton. Secure reentry facilities are designed to improve public safety by reducing recidivism. These facilities will provide intensive rehabilitation, and offer offender job training, mental health and substance abuse counseling, housing placement, educational assistance, and other services during the critical few months prior to an inmate's release.

### **Peace Officer Selection and Academies—**The

Administration remains committed to addressing correctional officer and parole agent vacancies. To that end, the Governor's Budget includes \$19.9 million General Fund in 2008-09 to expand the existing parole academy, run a one-time annex academy for entry-level correctional officers at a difficult-to-staff institution, and add contract funding to ease the backlog in background investigations and pre-employment medical clearances for peace officer applicants. Additionally, the CDCR is currently seeking an appropriate site for a Southern California Training Academy and plans to request any needed budget authority to activate such a facility during the spring Budget process.

## **PROPOSED BUDGET-BALANCING REDUCTIONS**

Total budget balancing reductions for the CDCR amount to \$17.9 million and 200 positions in 2007-08 and \$378.9 million and 5,854 positions in 2008-09. This grows to \$782.7 million in 2009-10.

Programs exempted from reductions include lease payments securing lease revenue bonds, costs related to juvenile offenders, medical expenditures controlled by the federal Receiver, and the Corrections Standards Authority, for a total exemption of \$2.4 billion.

The major reductions are described below:

- \$4.3 million and 66 positions in 2007-08 and \$256.4 million and 4,194 positions in 2008-09 resulting from the CDCR releasing specified non-violent, non-serious, non-sex offenders without prior serious or violent offenses or strikes 20 months earlier than their original release date. This proposal would result in an institutional average daily population reduction of 22,159 in 2008-09. This reduction assumes the necessary statutory changes will be enacted by March 1, 2008. Due to the CDCR's recent success in filling vacant correctional officer positions, layoffs will be necessary to achieve this reduction and the savings reflects a lag time related to the state layoff process. Once the layoff process has been completed, this savings grows to \$526.7 million in 2009-10.
- \$13.6 million and 134 positions in 2007-08 and \$97.9 million and 1,660 positions in 2008-09 resulting

from the CDCR placing non-serious, non-violent, non-sex offenders on summary parole. Summary parole will have fewer conditions of parole and involve no active supervision. These offenders would be subject to searches and drug testing, but would not return to prison without first being prosecuted locally for any new offenses they commit. This proposal would result in a parole average daily population reduction of 18,522 in 2008-09 and an institutional average daily population reduction of 6,249. This savings grows to \$231.5 million in 2009-10. This reduction assumes the necessary statutory changes will be enacted by March 1, 2008.

- \$24.6 million in 2008-09 for local assistance grant funding. This proposal would reduce funding for the Mentally Ill Offender Crime Reduction Grant Program, which supports the implementation and evaluation of locally developed demonstration projects intended to reduce recidivism and promote long-term stability among mentally ill adult and juvenile offenders by \$4.5 million, from \$44.6 million to \$40.1 million. This proposal would also reduce funding for the Juvenile Probation and Camps Program, which allocates funds to all 58 counties to support a broad spectrum of county probation services targeting at-risk youth, juvenile offenders, and the families of those youth, and to support the operation of camps and/or ranches by \$20.1 million, from \$201.4 million to \$181.3 million.



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## **INCARCERATION OF UNDOCUMENTED FELONS**

The CDCR expects to spend approximately \$965.3 million in 2007-08 for the incarceration of undocumented persons. The state will receive \$102.4 million in federal State Criminal Alien Assistance Program (SCAAP) funding for 2007-08. Undocumented persons are expected to comprise 11.2 percent of inmates in the state prison system. The CDCR's costs in 2008-09 are estimated to increase to \$1 billion, an increase of 4.6 percent. For 2008-09, it is estimated that California will again receive approximately \$102.4 million in federal SCAAP funding. At this level of funding, the state will be reimbursed for only 10.1 percent of the costs associated with the incarceration and related debt service associated with the undocumented felon population, with \$906.6 million in costs in excess of the level of federal reimbursements.

During the current fiscal year, the Administration will continue to aggressively pursue all strategies designed to maximize federal funding for the incarceration of undocumented felons.

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